(vii) Co-operative Societies and Land Mortgage Banks.

715. The following statement indicates the progress made by the co-operative movement in the State during the year :—

Particulars	*1950-51*	*1951-52*	*Increase or decrease.*
1. Number of Co-operative Societies.	5,190	5,170	— 20
2. Number of members	5,01,231	5,48,748	+ 47,517
	Rs.	Rs.	Rs.
3. Paid-up share capital	1,38,74,272	1,46,12,274	+ 7,38,002
4. Deposits held ...	2,44,98,143	2,05,84,326	— 9,13,817
5. (*a*) Loans from Central Financing Institutions excluding Land Mortgage Bank ...	1,21,11,052	1,31,47,934	+10,36,882
(*b*) Debentures *re*: Land Mortgage Bank ...	70,99,400	1,00,99,400	+30,00,000
6. Loans from Government (Primary) Central and Urban	12,13,623	14,04,397	+ 1,90,774
7. Reserve Fund ...	54,53,138	59,21,511	+ 4,68,373
8. Other Funds ...	16,43,208	19,24,237	+ 2,81,029
9. Total Working Capital	6,24,70,904	6,94,57,124	+69,85,869
10. Net profits ...	18,54,857	13,48,677	— 5,06,180
11. Total turnover ...	56,22,50,246	50,32,89,599	—5,89,60,647
12. Loans issued during the year ...	2,34,23,311	2,54,67,531	+20,44,220
13. Loans recovered during the year ...	1,73,97,302	2,07,56,849	+33,59,547
14. Loans outstanding at the end of the year	3,95,28,457	4,40,29,327	+45,00,870
15. Loans overdue at the end of the year ...	52,11,926	50,10,120	— 2,01,806

716. The Deputy Registrar of Co-operative Societies, Bangalore City Division, continued to be in charge of the scheme of the Multi-purpose Co-operative Societies. He was also in additional charge of the duties of the Chief Auditor for Multi-purpose Co-operative Secieties from 17th February 1952 till the end of the year.

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717. There were 5,170 (5,190) societies at the end of the year. The number of members of all the societies at the end of the year was 5,48,748 (5,01,231).

Working Capital.

718. The total working capital of all the societies amounted to Rs. 6,94,57,124 as against Rs. 6,24,70,904 in the previous year, showing an increase of Rs. 69,85,869 during the year.

Deposits.

719. A sum of Rs. 5,84,91,920 (Rs. 6,37,21,879) was attracted by way of deposits and a sum of Rs. 5,94,05,737 (Rs. 6,18,79,583) was returned during the year. Deposits held at the end of the year aggregated to Rs. 2,05,84,326 (Rs. 2,44,98,143). The deposits form 29·5 (31·0) per cent of the working capital of all the societies.

Reserve Fund.

720. The reserve fund of all classes of societies amounted to Rs. 59,21,511 (Rs. 54,53,138) the increase being Rs. 4,68,373. The reserve fund forms 41·09 (39·7) per cent of the paid-up share capital at the end of the year.

721. Loans were issued by the societies to their members for various purposes, Rs. 79,55,400 (Rs. 75,54,600) for productive purposes, Rs. 52,18,650 (Rs. 44,16,830) for redemption of prior debts, Rs. 25,45,966 (Rs. 24,38,452) for maintenance charges, Rs. 24,84,350 (Rs. 22,73,420) for the construction, purchase and repairs of houses, Rs. 14,50,240 (Rs. 18,45,250) for payment of land revenue and miscellaneous expenditure, Rs. 26,60,671 (Rs. 25,53,436) for other non-productive purposes and Rs. 31,52,254 (Rs. 29,41,323) for trade purposes. The total loans issued during the year amounted to Rs. 2,54,67,531 (Rs. 1,24,23,311).

722. A sum of Rs. 1,05,451 (Rs. 1,24,300) was overdue in respect of the loans due to Primary Land Mortgage Co-operative Societies and a sum of Rs. 49,599 (Rs. 9,404) was overdue in respect of loans due to the Mysore Central Co-operative Land Mortgage Bank from the Primary Land Mortgage Co-operative Societies. The loans overdue in respect of all types of societies at the end of the year amounted to Rs. 50,10,120 (Rs. 52,11,926). The net profits earned by all the societies amounted to Rs. 13,48,677 (Rs. 18,54,857).

723. There were at the end of the year, four Central Banks, *viz.*, the Mysore Provincial Co-operative Apex Bank, Ltd., Bangalore City, the Shimoga District

Central Co-operative Bank, Ltd., Shimoga, the Mysore District Central Co-operative Bank, Ltd., Mysore, and the Kadur District Central Co-operative Bank, Ltd., Chikmagalur. All the three District Central Banks were dormant for over a decade. The question of opening the branches of the Apex Bank or starting District Co-operative Banks at District level to function as immediate supervising agency in matters of rural credit was examined in all its bearing according to the directions from the Agricultural Credit Department of the Reserve Bank of India.

724. The Mysore Provincial Co-operative Apex Bank, Ltd., Bangalore City, is the pivot of Co-operative Finance in the State and is the sole agency for the grant of short and intermediate term credits to the Primary Co-operative Societies. Financing marketing operations by Primary Societies was also being undertaken by the Bank. True to its policy of progressively converting itself into a pure federation of societies, the Bank is reducing the number of individual share-holders and affiliating more number of primary societies. The membership of affiliated societies to the Bank increased from 1,999 to 2,139 and that of individuals decreased from 211 to 209. With a view to secure expert opinion and advice on the Board of Management, rule 38 of the Rules under Mysore Co-operative Societies Act governing the constitution of the Board was amended. The loans outstanding at the end of the year amounted to Rs. 42,84,055 (Rs. 41,07,072). The increase in the number of loans outstanding during the year was due to the grant of loans to Marketing and other credit societies. The fluid resources of the Bank at the end of the year was Rs. 6,17,681 as against an aggregate deposit of Rs. 50,79,221 due by the Bank at the end of the year. The question of improving the resources of the Bank and starting branches in District Headquarters was under consideration. The two branches, one at Shimoga and another at Mysore, were closed as they did not attract good business.

Agricultural Primary Societies.

725. The number of these societies was 4,075 (4,125) (excluding the 80 Land Mortgage Societies and one Land Mortgage Bank). Of these, 2,582 were ordinary credit societies and 1,434 purchase and sale societies (inclusive of 827 Rural Development Multi-purpose Co-operative

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Societies), 11 production and sales societies, 21 production *cum* co-operative farming societies and 25 grain banks. The membership of all these Agricultural Class Co-operative Societies rose from 288,581 to 3,17,156. The paid up share capital increased from Rs. 51,27,530 to Rs. 53,41,711 and the working capital from Rs. 1,02,49,100 to Rs. 1,21,28,809, respectively. The Reserve Fund was Rs. 21,15,877. They held deposits to the extent of Rs. 22,45,843 (Rs. 19,15,603). They issued loans amounting to Rs. 56,26,515 (Rs. 40,45,588) and recovered Rs. 43,96,163 (Rs. 36,78,804). The overdue loans amounted to Rs. 9,74,774 (Rs. 11,50,600).

Marketing Societies.

726. There were 84 (88) Marketing Co-operative Societies at the end of the year. They had a membership of 12,429 (13,663), a share capital of Rs. 3,06,635 (Rs. 3,57,862) and their total working capital amounted to Rs. 28,17,685 (Rs. 35,64,256). Their working resulted in a net profit of Rs. 68,835 (Rs. 87,802).

727. The Mysore Provincial Co-operative Marketing Society, Ltd., Bangalore, has been popular among the societies. It is serving as a direct link between the Producers' Societies on the one hand and the Consumers' Societies on the other. The Society is dealing in the sale of coffee seeds, iron implements, soaps and other products supplied by the Government Industrial Concerns and also the products of the Industrial and Marketing Co-operative Societies in the State. The total turnover during the year amounted to Rs. 39,39,976. It sold coffee seeds worth Rs. 15,03,684 (Rs. 13,28,667). It imported large quantities of pulses and sold them to the Consumers' Societies in the State.

728. The Malnad Areca Marketing Co-operative Society, Ltd., Shimoga, was functioning as the chief Areca Marketing Co-operative Society in the State. Its turnover amounted to Rs. 4,01,11,426 and earned a net profit of Rs. 10,410 during the year.

The Mysore Central Co-operative Land Mortgage Bank, Ltd., Bangalore.

729. The membership of the Bank at the end of the year was 359 (214 individuals, 65 ordinary societies and 80 Primary Land Mortgage Societies) as against 354 (213, 62 and 79, respectively), at the end of the previous year. It has a share capital of Rs. 6,50,700 (Rs. 5,55,200). Its reserve fund and the total working capital amounted to Rs. 1,15,277

(Rs. 1,12,570) and Rs. 1,09,03,276 (Rs. 84,42,754), respectively. In accordance with the directions from the Reserve Bank of India, the Bank has constituted a Debenture Redemption Fund analogous to Sinking Fund and contributions amounting to Rs. 4,58,900 were made in respect of this fund.

730. Out of 1,412 applications for loans totalling Rs. 41,01,138, 931 cases for Rs. 26,69,496 were finally disposed of leaving 481 applications for Rs. 14,31,642 pending disposal at the end of the year. Six hundred and sixty-one loan applications for Rs. 18,49,275 were sanctioned during the year.

731. The total debenture borrowings of the bank at the commencement of the year amounted to Rs. 70,99,400. A fresh series of debenture was floated during the year for Rs. 30 lakhs at 4 per cent which was fully subscribed.

Multi-purpose Co-operative Societies.

732. The scheme of Multi-purpose Co-operative Societies is part and parcel of the new Rural Development set up for the emancipation of the rural folk. There were at the end of the year 82 Taluk and 745 Circle Multi-purpose Co-operative Societies. They had an aggregate membership of 1,90,259, a paid-up share capital of Rs. 31,00,734, deposits of Rs. 6,26,438 and a total working capital of Rs. 40,05,828. The total turnover amounted to Rs. 7,79,25,763 and the net profits earned amounted to Rs. 6,94,656. The success of these societies was due mainly to the several concessions granted by Government, besides the keen interest evinced by the people in the scheme.

Co-operative Farming.

733. With a view to step up food production on co-operative lines, several concessions to the Co-operative Farming Societies, like release of large tracts of cultivable Government waste lands, waiving the lease amount in the initial stages, permitting Officers of Revenue, Co-operative and Agricultural Departments to serve as *ex-officio* Directors and permitting colonists to get free of cost building materials from the forests, were given. There were 21 Co-operative Farming Societies with a membership of 1,115 and a paid up share capital of Rs. 36,147 at the end of the year. Inclusive of the Government subventions, their working capital amounted to Rs. 1,59,510. Loans to the extent of Rs. 36,414 were advanced during the year to the

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needy members for the purchase of bullocks and other live-stock, seeds and manures, foodgrains and other necessities. Lands to the extent of nearly 3,378 acres were under cultivation and the value of the total yield amounted to Rs. 90,250. They earned a net profit of Rs. 11,341 during the year.

Non-Agricultural Societies.

734. The number of societies at the end of the year was 1,002 (973). Their membership aggregated to 1,95,555 and they had a paid up share capital of Rs. 70,45,065 and a deposit of Rs. 1,49,46,470, reserve fund and other funds of Rs. 44,88,751 and a total working capital of Rs. 2,94,28,082. Their working has resulted in a net profit of Rs. 10,07,473 (Rs. 8,39,762).

House Building Co-operative Societies.

735. There were 101 societies at the end of the year. They had a membership of 8,771; their paid up share capital was Rs. 5,37,335 and their working capital amounted to Rs. 35,71,748. They issued loans to the extent of Rs. 9,54,876. About 1,660 houses were constructed so far. Their working resulted in a net profit of Rs. 19,642.

The Mysore Provincial House Building Corporation.

736. The Corporation was started in August 1950 with the object of concerting several measures not only for undertaking construction of houses but also for financing the housing enterprise through affiliated Primary House Building Co-operative Societies. It had a membership of 321 consisting of 45 individuals and 276 societies, with a paid up share capital of Rs. 68,144 and a total working capital of Rs. 5,83,809. To supplement its working funds, Government have advanced a loan of Rs. 5 lakhs. The Corporation advanced house building loans of Rs. 1,04,479. The construction of houses suited to the needs of the middle and lower middle classes people formed one of the major activities of the Corporation during the year.

Employees' Societies.

737. The number of this class of societies was 196. They had a membership of 40,774 and a paid up share capital of Rs. 8,15,342. Their total working capital amounted to Rs. 23,27,040. Their working resulted in a net profit of Rs. 1,05,068. They effected purchases of consumers goods to the extent of Rs. 75,03,300 and the sales amounted to Rs. 78,12,028. These institutions continued to render valuable services to their members by undertaking distribution of rationed and other articles.

738. There were 40 Ladies' Societies at the end of the year. They had a membership of 2,618, a share capital of Rs. 37,424 and a total working capital amounting to Rs. 84,126. They effected purchases to the extent of Rs. 7,20,219 and their total turnover was Rs. 13,51,070 resulting in a net profit of Rs. 2,808. Ladies' Societies.

739. There were 29 Co-operative Societies Milk Supply Unions inclusive of the Feeder Unions at the end of the year. They had a membership of 2,018 and a paid up share capital of Rs. 30,330. Their total working capital amounted to Rs. 1,40,550. They supplied milk of the value of Rs. 4,67,871 earning a net profit of Rs. 7,372 during the year. Milk Societies.

740. Two hundred and thirty-eight societies were under liquidation at the beginning of the year. Sixteen societies were placed under liquidation thus bringing the total to 254. The number of liquidated societies at the end of the year was 248 (238).

741. The committee of management of twenty-two societies were superseded during the year.

742. The new rules under the Mysore Co-operative Societies Act, 1948 which came into force from 1st September 1952, were published. Acts and Rules.

743. The 28th Mysore Provincial Co-operative Conference was held during May 1952 at Hassan under the auspices of the Mysore Provincial Co-operative Institute. The institute organised training classes at Bangalore and Mysore for the purpose of training the personnel required for the management of Multi-purpose Co-operative Societies and other Co-operative Societies. The Institute has been publishing "Mysore Sahakara Patrike" a weekly journal on co-operation which has a wide circulation among co-operative societies.

744. The International Co-operators' Day was celebrated throughout the State on the first Saturday of November 1951.

745. The Standing Committee for Rural Development and Co-operation continued to function during the year.

746. The Registrar of Co-operative Societies continued to be the Commissioner for Local Self-Government also during the year with a view to co-ordinate effectively the activities of both the departments.